Synopsis

For

Ph.D. Registration

University Department of Commerce and Business Management, Ranchi University, Ranchi.

Research Topic:

Role of Self-Help Groups in Women's Entrepreneurship Development in Jharkhand – A Comparative Study of Ranchi District and East Singhbhum District

Under the Guidance and Supervision of -

Dr. Vikas Kumar

Assistant Professor

University Department of Commerce and Business Management, Ranchi University, Ranchi.

Submitted by-

Jyoti Kumari

UGC-NET

(ROLL NO.: JH04003793)

2025

1. INTRODUCTION: -

This research will explore how self-help groups (SHGs) help women become entrepreneurs. Especially in countries like India, where many women face disadvantages, SHGs can be a powerful tool. They offer crucial resources like small loans, skill development, training, and community support, enabling women to launch and run their businesses. Ultimately, this leads to greater financial independence and improved social standing for these women.

1.1 Origin of Self-help Group: -

The Origins and Influence of Self-Help Groups (SHGs) in India: -

The Self-Employed Women's Association (SEWA), founded in 1972 by Ela Bhatt, is widely recognized as a pivotal moment in the development of SHGs in India. Earlier forms of women's self-organization existed. For instance, the Textile Labour Association (TLA) established a women's wing in 1954 to provide skill training.

SEWA's core mission was to empower poor, self-employed women in the informal sector, such as weavers and street vendors, by boosting their income. Today, SHGs are informal groups of women, typically from similar backgrounds, who collaborate to improve their livelihoods. Based on principles of self-help and collective action, they engage in income-generating activities like small businesses and agriculture.

SHGs play a crucial role in fostering women's entrepreneurship by:

- Providing access to credit.
- Building women's confidence and economic independence.
- Empowering marginalized women and promoting gender equality.
- Enabling access to financial services for the unreached poor.

Women's entrepreneurship significantly contributes to economic growth and improves women's social and personal lives. Women-led businesses are often highly efficient, generating strong returns with less capital. Women's multitasking abilities allow them to diversify income streams and support new ventures. SHGs facilitate this process, making it easier for women to succeed in their entrepreneurial endeavours[1].

1.2 Evolution Stages of Self-Help Groups in India: -

Every Self-help group usually goes through 3 stages of evolution, as stated below: -

- Formation of group
- Funding or Formation of Capital
- Development of required skills to boost income generation for the group
- Many self-help groups are formed with the assistance of self-help to promote agencies.

The various types of Self-help promoting agencies are stated below: -

- Non-governmental agencies
- Government
- Poverty management programs
- State & commercial banks
- Microfinance institutions
- SHG Federations
- SHG leaders/Entrepreneurs[2]

1.3 Functions of Self-Help Groups: -

Self-Help Groups (SHGs) are crucial for empowering impoverished and marginalized communities by: -

- **Boosting economic opportunities:** They provide employment and income generation training and resources.
- **Facilitating access to credit:** They offer loans without requiring collateral, reaching those excluded by traditional banks.
- **Promoting conflict resolution:** They use dialogue and collective leadership to settle disputes.
- **Serving as a vital microfinance source:** They deliver essential financial services to the poor.
- **Bridging the gap to formal banking:** They act as a conduit, enabling access to mainstream banking for rural populations.
- **Cultivating a savings culture:** They encourage and facilitate saving among the poor.

The Necessity of SHGs stems from: -

- The significant problem of rural poverty, largely due to limited access to credit and financial services.
- The Rangarajan Committee's identification of key barriers to financial inclusion: lack of collateral, limited borrowing capacity, insufficient institutional reach, and weak community networks.
- SHGs' ability to leverage strong community ties to provide vital credit access, thereby alleviating poverty.
- Empowering Women**:** SHGs are very important in empowering women by building social capital, and allowing financial independence. This, in turn, improves education, health, and family planning[3].

1.4 Objectives of Self-Help Groups (SHGs): -

- To provide access to credit and promote entrepreneurship.
- To build confidence among marginalized groups, especially women, by fostering a sense of community.
- To connect unbanked populations with formal financial institutions.
- To enhance skills, awareness, and decision-making capabilities.
- To improve the standard of living of poor households through sustainable livelihoods

1.5 Primary Aspects of Self-Help Groups (SHGs): -

a) Optimal Group Size: Fostering Cohesion and Manageability

The deliberate size limitation of 10-20 members within an SHG is crucial for its operational efficiency and social dynamics. This range strikes a balance: large enough to pool resources effectively, yet small enough to maintain close personal relationships and facilitate participatory decision-making. In larger groups, individual voices can be lost, and the sense of collective ownership can diminish. Conversely, smaller groups might lack the necessary resource base. The intimate size of an SHG allows for:

- **Enhanced Communication:** Regular, face-to-face interactions are more feasible, allowing for open dialogue and the rapid dissemination of information.

- **Stronger Social Bonds:** Members develop a deep sense of trust and mutual support, which are crucial for navigating personal and financial challenges.
- **Efficient Decision-Making:** With fewer members, discussions are more focused, and consensus can be reached more readily.
- **Individual Accountability:** Each member feels a strong sense of responsibility to the group, knowing that their contributions are vital to its success.

b) Homogeneity: Building Trust and Shared Understanding

The principle of homogeneity within SHGs, particularly in terms of socio-economic status, fosters a foundation of shared experiences and mutual empathy. This shared context is not about exclusion but about creating an environment where members feel comfortable and understood. This homogeneity translates to:

- **Increased Trust:** Members are more likely to trust individuals who share their circumstances and understand their struggles.
- **Reduced Conflict:** Shared values and experiences minimize potential conflicts arising from differing perspectives or priorities.
- **Effective Problem-Solving:** Members can readily identify and address common challenges, drawing on their shared knowledge and experiences.
- **Shared cultural context:** This helps with communication and understanding of local customs and traditions.

c) Savings and Credit: Empowering Financial Independence

The core function of SHGs is to cultivate a culture of savings and responsible lending. Regular, small savings contributions, even if seemingly insignificant individually, accumulate into a substantial collective fund. This financial pool serves as a vital resource for members, enabling them to:

- **Access to Affordable Credit:** Members can obtain loans at interest rates far lower than those offered by informal moneylenders, reducing their vulnerability to exploitation.
- **Meet Emergency Needs:** Loans can be used to address unexpected expenses, such as medical emergencies or family crises.
- **Invest in Income-Generating Activities:** Loans can fund small businesses, agricultural initiatives, or other ventures that enhance members' livelihoods.

- **Promote Financial Literacy:** The process of saving, lending, and managing funds fosters financial literacy and empowers members to make informed financial decisions.

- **Create a local economy:** The money is circulated inside of the group, and local community.

d) Collective Decision-Making: Fostering Ownership and Participation

Democratic decision-making is the cornerstone of SHG governance. Every member has the right to participate in discussions, voice their opinions, and contribute to the group's decisions. This participatory approach cultivates:

- **Empowerment:** Members feel valued and respected, knowing that their voices are heard and their contributions are valued.
- **Shared Responsibility:** Members are collectively responsible for the group's successes and failures, fostering a sense of ownership and commitment.
- **Transparency and Accountability:** Democratic processes ensure that decisions are made transparently and that members are accountable for their actions.
- **Development of leadership skills:** Members learn how to run meetings, and how to work as a team.

e) Training and Capacity Building: Enhancing Skills and Knowledge

Recognizing that financial inclusion alone is insufficient, SHGs prioritize training and capacity building. These programs equip members with the knowledge and skills necessary to:

- **Manage Finances Effectively:** Training in budgeting, accounting, and financial planning enables members to make sound financial decisions.
- **Develop Business Skills:** Training in entrepreneurship, marketing, and business management empowers members to start and grow their own enterprises.
- **Enhance Vocational Skills:** Skills training in areas such as tailoring, handicrafts, or agriculture enables members to diversify their income sources.
- **Increase awareness:** Training can include information about health, nutrition, and legal rights.

1.6 Linkage with Banks: Expanding Access to Formal Financial Services

The linkage between SHGs and formal banking institutions is a critical step towards financial inclusion and sustainable economic development. This connection facilitates:

- **Access to Larger Loans:** Banks can provide larger loans to SHGs, enabling them to undertake more ambitious projects.
- **Financial Discipline:** Interacting with banks encourages SHGs to maintain accurate financial records and adhere to sound financial practices.
- **Increased Financial Security:** Bank accounts provide a safe and secure place to store savings and conduct financial transactions.
- **Building Credit History:** Consistent repayment of bank loans establishes a credit history, which can be valuable for future financial endeavors.
- **Access to Government programs:** Many government programs require a bank account, and the SHG bank linkage helps members to access those programs.

1.7 Benefits of Self-Help Groups: -

- **Improved Access to Finance:** SHGs make it safer for banks to lend to low-income individuals, ensuring these groups can access necessary funds.
- **Empowerment and Representation:** SHGs provide a platform for marginalized communities to be heard and advocate for their needs.
- **Social Reform:** SHGs contribute to positive social change by tackling issues like dowry, substance abuse, and child marriage.
- **Promoting Gender Equality:** SHGs empower women, leading to greater gender equality within society.
- **Civic Engagement and Advocacy:** SHGs act as organized groups that can influence government policy and action.
- **Improved Government Program Delivery:** SHGs assist in effectively implementing government initiatives, reducing corruption through increased transparency.
- **Economic Diversification:** SHGs create alternative income opportunities through skill development and resource provision, reducing reliance on single sources like agriculture.
- **Enhanced Well-being:** SHGs improve health and living by improving access to healthcare, nutrition, and housing.
- **Financial Education:** SHGs cultivate a culture of saving and increase financial

literacy, particularly in rural areas.

1.8 Role of SHGs in Societal Progress: -

- **Women Empowerment**– SHGs have been a significant tool for empowering women by making them financially independent and socially confident.
- Through participation in decision-making processes, women gain leadership skills and awareness of their rights.
- **Poverty Alleviation**: SHGs enable access to microcredit, which members can use for income- generating activities, thereby lifting families out of poverty.
- **Financial Inclusion**– SHGs play a vital role in bringing the unbanked population under the formal financial system by facilitating savings accounts and loans.
- **Skill Development and Employment-** Members of SHGs are trained in various skills, such as tailoring, handicrafts, and agriculture, which help them find employment or start small businesses.
- **Social Cohesion-** SHGs foster unity and cooperation among members, leading to a stronger community network. They collectively address social issues like domestic violence, child marriage, and illiteracy.
- **Disaster Management-** SHGs contribute to community resilience by pooling resources during crises like floods or pandemics.

1.9 Government Initiatives Supporting Self-Help Groups (SHGs): -

- **National Rural Livelihood Mission (NRLM):** Launched in 2011, NRLM aims to reduce poverty by promoting SHGs and linking them with financial institutions.
- **NABARD's SHG-Bank Linkage Programme (SBLP):** Introduced in 1992, this program enables SHGs to access bank loans without collateral.
- **Women's SHGs under Deendayal Antyodaya Yojana:** Focuses on promoting women-led SHGs to empower rural women economically.
- **Pradhan Mantri Mudra Yojana (PMMY):** Provides loans to small and micro-enterprises, including SHGs, to boost entrepreneurship.
- **State-Specific Schemes:** States like Tamil Nadu, Andhra Pradesh, and Kerala have introduced successful SHG models, such as Kudumbashree in Kerala.

1.10 Success Stories of SHGs in India: -

- **Kudumbashree (Kerala)**– Launched in 1998, Kudumbashree is one of the most successful SHG models in India, empowering women through microcredit and

entrepreneurship.

- **SHGs in Andhra Pradesh:** The state has seen significant success with SHGs under the NRLM, transforming the lives of millions of rural women.
- **Amul Dairy Cooperatives-** Although not strictly SHGs, Amul operates on similar principles, demonstrating how collective efforts can revolutionize industries.

1.11 Entrepreneurship Development: -

Self-Help Groups (SHGs) are crucial for boosting women's entrepreneurship through a variety of methods: -

- **Financial Access:** They enable women to secure microloans and build savings, overcoming financial hurdles to business ownership.
- **Skill Building:** SHGs offer training and collaborative learning to improve entrepreneurial abilities.
- **Support System:** They create a strong network providing emotional, social, and business support.
- **Market Expansion:** SHGs facilitate access to better prices and new markets through collective negotiation and participation in trade events.
- **Policy Influence:** They empower women to advocate for their rights and influence policies supporting their businesses.

1.12 In Jharkhand, SHGs are particularly effective in promoting women's economic independence and social empowerment:

- They facilitate microfinance, savings, and knowledge sharing.
- The Jharkhand government provides financial aid and connects SHGs with relevant agencies.
- SHGs collaborate with local governments on initiatives like sanitation and development planning.
- These groups focus on enhancing women's financial literacy and skills, enabling them to establish small businesses.

1.13 Organizations that support women's entrepreneurship in Jharkhand: -

a) **JSLPS**: An autonomous society established by the Rural Development Department of Jharkhand

b) **Udyogini**: An NGO that has worked in the Ranchi, Khunti, and Gumla districts

c) **PARADAN**: An NGO that has encouraged female entrepreneurship in sericulture in the Dumka and Godda districts

d) **IndiGoReach**: An organization that offers skill-building workshops, financial literacy training, and access to resources

e) **RMC**: An organization that provides loans and training to SHG members

According to the report of the MINISTRY OF RURAL DEVELOPMENT (Government of India), Bank credit to women Self-Help Groups in the total amount of Capitalisation Support (Revolving Funds and Community Investment Funds) provided to SHG Members is Rs. 48,290 crores. This has helped in developing the credit history of the SHGs. Accordingly, the SHGs have been able to leverage Bank credit of Rs. 9.71 lakh crore, and the Total Enterprises Supported in 'JHARKHAND' are 25,991[4].

1.14 Profile of the study: -

(a) Overview of Ranchi District: -

Ranchi, the Capital of Jharkhand, is divided into Ranchi Sadar and Bundu subdivisions, and each subdivision is further divided into blocks, panchayats, and villages. It consists of 18 blocks and 305 panchayats. Under the Ranchi Subdivision, there are 14 blocks, and the Bundu Subdivision consists of 4 blocks.

No. Blocks of Ranchi District: -

Serial Number	Block	Sub Division	District
1.	Angara	Ranchi Sadar	Ranchi
2.	Bero	Ranchi Sadar	Ranchi
3.	Burmu	Ranchi Sadar	Ranchi
4.	Mandar	Ranchi Sadar	Ranchi
Serial Number	**Block**	**Sub Division**	**District**
5.	Namkum	Ranchi Sadar	Ranchi
6.	Ratu	Ranchi Sadar	Ranchi
7.	Chanho	Ranchi Sadar	Ranchi

8.	Ormanjhi	Ranchi Sadar	Ranchi
9.	Lapung	Ranchi Sadar	Ranchi
10.	Kanke	Ranchi Sadar	Ranchi
11.	Silli	Ranchi Sadar	Ranchi
12.	Sonahatu	Bundu	Ranchi
13.	Bundu	Bundu	Ranchi
14.	Tamar	Bundu	Ranchi
15.	Rahe	Bundu	Ranchi
16.	Itki	Ranchi Sadar	Ranchi
17.	Nagri	Ranchi Sadar	Ranchi
18.	Khelari	Ranchi Sadar	Ranchi

Source: https://ranchi.nic.in/subdivision-blocks/

(b) Overview of East Shinghbhum District: -

East Singhbhum District is situated in the extreme southeast corner of Jharkhand. It was formed on January 16, 1990, after 11 blocks were isolated from Greater Singhbhum. From the industrial growth and mining quarrying point of view, the district has a leading position in Jharkhand.

No. of Blocks of East Shinghbhum: -

Serial Number	Block	Sub Division	District
1.	Golmuri-cum- jugsalai	Dhalbhum	East Shinghbhum
2.	Patamda	Dhalbhum	East Shinghbhum
3.	Boram	Dhalbhum	East Shinghbhum
4.	Potka	Dhalbhum	East Shinghbhum
5.	Dhalbhumgarh	Ghatshila	East Shinghbhum
Serial Number	**Block**	**Sub Division**	**District**
6.	Ghatshila	Ghatshila	East Shinghbhum
7.	Musabani	Ghatshila	East Shinghbhum
8.	Dumaria	Ghatshila	East Shinghbhum
9.	Chakulia	Ghatshila	East Shinghbhum

10.	Baharagora	Ghatshila	East Shinghbhum
11.	Gurabanda	Ghatshila	East Shinghbhum

Source: https://ranchi.nic.in/subdivision-blocks/

Due to numerous blocks in the Ranchi district and East Shinghbhum district, we're focusing on specific rural and urban areas within the Ranchi and East Singhbhum districts. In these areas, self- help groups (SHGs) are playing a crucial role. These groups are proving to be essential tools for:

Financial inclusion: They're providing access to financial services that would otherwise be unavailable to these rural populations.

Entrepreneurship development: SHGs are empowering individuals by supporting their efforts to establish and grow small businesses.

Essentially, these SHGs are directly addressing the financial needs of underserved communities and fostering economic growth from the ground up.

1.15 Comparative Study of Ranchi District and East Shinghbhum: -

Introduction: -

This study focuses on the role of SHGs in women's entrepreneurship development in two distinct districts of Jharkhand, India: Ranchi and East Shinghbhum. Ranchi is the state capital and a major commercial hub, while East Shinghbhum is a planned industrial city. By comparing these two districts, the study aims to understand how the role of SHGs varies depending on the socio-economic context and the specific needs of women entrepreneurs.

"To gain a comprehensive understanding of financial inclusion, we will conduct a study involving interviews with 200 members of each district's Self-help groups and 25 government officials from Ranchi and East Singhbhum, focusing on their support for self-help groups. We will then complement this with data from 25 self-help group officials per district, allowing us to compare the viewpoints of both the providers and recipients of financial assistance."

- Self-help groups (SHGs) in Ranchi and East Singhbhum, Jharkhand, are

aiding women's entrepreneurship.

- Bank credit
- Since FY 2013-14, SHGs have accessed over Rs. 5.20 lakh crore in bank credit through the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM).
- The DAY-NRLM offers financial services to rural poor SHGs.

2. LITERATURE REVIEW: -

- **Pandhare, (2024)[5].** how microfinance and entrepreneurial activities undertaken by women in Self-Help Groups (SHGs) affect their social and economic empowerment in rural areas. Using a mixed-methods approach, combining quantitative data from surveys with qualitative data from interviews and case studies, the research found a positive, though moderately significant, link between microfinance/entrepreneurship and women's empowerment across social, economic, and psychological dimensions. The case studies highlighted how these activities significantly empower women by increasing financial independence, improving their decision-making power, expanding their social networks, and boosting their self-confidence and overall well-being. The study concludes that microfinance initiatives can be transformative tools for promoting gender equality and women's empowerment in various socio-economic settings.

- **Gulvira(2024)[6].** The study deals with the Impact of Female Entrepreneurship on Economic Growth in developing and Developed Economies. Women lead a significant portion of formal businesses globally, yet they are disproportionately concentrated in small or microenterprises, particularly in developing nations. As businesses grow larger, female leadership becomes less common. This disparity stems from societal biases that discourage women from entrepreneurship and systemic barriers that confine them to the informal sector. These limitations hinder women's economic potential and their ability to contribute to broader development.
    a) To unlock this potential, it's crucial to dismantle barriers such as discriminatory laws, limited access to finance, and family-related time constraints. Empowering women through such measures promotes gender equality, job creation, and sustainable economic growth. Investing in women yields strong development outcomes as they tend to reinvest their earnings into their families

and communities. While targeted programs are essential, broader economic and social policies must also be reformed to eliminate discriminatory practices.

- **Ghosh (2023)[7].** This study examines how self-help group (SHG) involvement and the entrepreneurial characteristics of SHG members affect the economic and sociocultural empowerment of rural women. Researchers surveyed 344 women engaged in entrepreneurial activities through SHGs in their villages using a purposive sampling method. Linear regression analysis revealed a positive link between SHG interventions and both economic and socio-cultural empowerment. The study suggests that the identified factors can inform policy decisions aimed at strengthening SHGs and supporting the growth of microenterprises run by women SHG members.

- **Narasimha (2016)[8].** This study suggests that self-help groups (SHGs) are effective in improving women's health by increasing health knowledge and awareness, providing financial security for health emergencies, and facilitating income-generating activities. However, the study also found that SHGs haven't significantly improved health behaviors or knowledge about health issues, a finding consistent with previous research. Therefore, broader community involvement is crucial, particularly sensitizing men about gender equity. SHGs can contribute by raising health awareness through women's group meetings and targeted capacity-building training on health topics.

- **Das (2015)[9].** Studies have shown varying levels of income, savings, spending, and debt reduction among different groups participating in Self-Help Groups (SHGs). This disparity suggests that SHGs haven't benefited all members equally, raising concerns about the equitable distribution of benefits. Overall, SHGs appear to have fallen short of fostering widespread entrepreneurship among women in West Bengal. While SHGs have produced some promising women entrepreneurs despite social and economic obstacles, their impact on women members is mixed. Consistent support, monitoring, and systematic skills and knowledge development, combined with connections to rural institutions, are crucial for SHGs to achieve greater success in rural areas.
- **Kondal (2014)[10].** This study shows the role of Self-Help Groups (SHGs) in empowering women in the Gajwel Mandal of Medak District, Andhra Pradesh. A study presented at the International Science Congress Association found that SHGs significantly contribute to women's empowerment by improving their financial

standing, enabling savings and investment, and fostering social and economic self-reliance. The study in two villages showed increased confidence among SHG members. These groups also raise awareness about various programs, schemes, and loan policies. Overall, the research indicates a positive impact of SHGs on women's empowerment in Andhra Pradesh.

- **Sahoo (2013)[11]** This study focuses on how India's economic future hinges on the productivity of both its male and female workforce. Historically, Indian women were restricted to domestic roles and were subordinate to men. However, significant social and cultural progress has been made. The rise of Self-Help Groups (SHGs) has enabled women to participate equally with men in productive activities. Their incomes are steadily increasing, keeping pace with their expenses. Through the SHG movement, women have gained dignity within their families and communities, and their decision-making power has grown substantially both at home and in society. While the SHG movement is positive, continued progress is needed. Further empowerment of women across social, cultural, economic, political, and legal spheres is crucial for the well-being of families and the nation as a whole

- **Thangamani (2013)[12].** This study examined the impact of Self-Help Groups (SHGs) on women's empowerment in Mettupalayam Taluk. It found that SHG membership led to socio-economic changes for women, particularly an increase in savings, especially early on. However, the study also identified emerging challenges that need to be addressed for sustained long-term impact. The research suggests that involving voluntary organizations in social mobilization and fostering supportive policies can significantly expand the reach and effectiveness of microfinance initiatives like SHGs. The study emphasizes the importance of SHGs in strengthening communities and concludes that the economic activities undertaken by these groups in Mettupalayam Taluk have been quite successful in empowering women and developing rural areas.

- **Singh (2012)[13].** This study emphasizes that Women entrepreneurship in Himachal Pradesh faces challenges like limited access to finance and markets, along with socio-cultural barriers. However, Self-Help Groups (SHGs) have emerged as a powerful tool for empowerment. SHGs provide women with a platform for collective action, enabling

them to pool resources, access microfinance, and build entrepreneurial skills. These groups. Foster financial independence, enhance decision- making power, and boost self-confidence among women. Through SHGs, women are breaking traditional gender roles, diversifying income sources, and improving their socio-economic status. While challenges persist, the SHG movement has significantly contributed to women's empowerment and entrepreneurship development in Himachal Pradesh.

- **Sharma (2008)[14].** This study found that rural women's involvement in Self-Help Groups (SHGs) led to positive changes in several areas. They experienced increased social recognition, improved family status, a larger social circle, and greater involvement in family and business decisions. Their self-confidence, self-reliance, and independence also grew. The study suggests linking SHGs with government literacy programs to boost members' literacy, which would help them understand government policies and acquire necessary skills. It also recommends encouraging women to access financial resources for entrepreneurial ventures and raising awareness about available credit and subsidies through SHGs. Recognizing that women are less technologically empowered, the study

  emphasizes the need to introduce them to labour-saving, income-generating technologies. Finally, it proposes integrating entrepreneurship education and training at all educational levels to foster positive self-concept, self-reliance, self-confidence, and independence in rural women.

3.RESEARCH GAP: -

Despite the growing significance of Self-Help Groups (SHGs) in promoting women's entrepreneurship in India, limited research provides a comparative analysis of their impact in different socio-economic settings within Jharkhand, particularly in Ranchi District and East Singhbhum. Existing literature mostly discusses the role of SHGs in financial inclusion and economic empowerment at the national level. Still, it lacks a localized study that evaluates the district-specific variations in SHG effectiveness. Additionally, while previous research has highlighted access to credit, skill development, and financial literacy as key factors in SHG-led women's

entrepreneurship, there is an insufficient empirical assessment of how these groups influence entrepreneurial success, financial independence, and decision-making authority among women in Jharkhand. There is also a lack of clarity on how SHGs help overcome cultural, social, and institutional barriers hindering women's business growth.

Furthermore, government programs and policies (such as NRLM, Mudra Yojana, and SHG-Bank Linkage Program) have been widely implemented, but their actual impact on women's entrepreneurship development remains underexplored. There is limited research that critically examines the effectiveness of these schemes and identifies the gaps between policy objectives and ground realities.

Thus, this study aims to **fill these gaps** by:

i. Conduct a comparative analysis of the Ranchi and East Singhbhum districts to understand regional disparities in SHG performance.

ii. Evaluating the actual impact of SHGs on women's entrepreneurship, financial independence, and empowerment.

iii. Identifying barriers and challenges that women face in utilizing SHG benefits effectively.

iv. Assessing the effectiveness of government schemes in supporting SHG-led entrepreneurial development.

4. SIGNIFICANCE OF THE STUDY: -

This study, focusing on the comparative role of Self-Help Groups (SHGs) in women entrepreneurship development in Ranchi District and East Singhbhum, Jharkhand, holds significant value for several reasons:

a) Understanding Regional Disparities and Best Practices:

Comparative Analysis: The study can highlight regional disparities in SHG effectiveness by comparing two distinct districts within Jharkhand. Factors like socio-economic conditions, access to resources, cultural norms, and administrative support

may vary, leading to different outcomes.

Identifying Best Practices: The comparative approach allows for identifying successful strategies and best practices employed by SHGs in one district that can be replicated or adapted in the other. This facilitates knowledge sharing and promotes more effective interventions.

Contextualized Solutions: Understanding the specific challenges and opportunities in each district allows for the development of tailored interventions and policies that address the unique needs of women entrepreneurs.

b) Empowering Women and Promoting Economic Inclusion:

Women's Economic Empowerment: SHGs are crucial platforms for empowering women by providing access to financial resources, skill development, and market linkages. This study will shed light on the extent to which SHGs are fulfilling this role in the chosen districts.

Financial Inclusion: Many women in rural and semi-urban areas lack access to formal financial institutions. SHGs play a vital role in bridging this gap by promoting savings and credit activities. This study will assess the impact of SHGs on financial inclusion among women entrepreneurs.

Poverty Alleviation: By fostering entrepreneurship, SHGs contribute to poverty alleviation at the household and community levels. This study will evaluate the contribution of SHG-led entrepreneurship to improving the economic well-being of women and their families**.**

c) Contributing to Policy Formulation and Program Implementation:

Evidence-Based Policy: The findings of this study can provide valuable insights for policymakers and program implementers in designing and implementing effective interventions to promote women entrepreneurship through SHGs.

Program Evaluation: The study can serve as an evaluation of existing SHG programs and identify areas for improvement. It can help assess the effectiveness of government schemes and initiatives aimed at supporting women entrepreneurs.

Targeted Interventions: The study can help identify specific needs and challenges women entrepreneurs face in different districts, enabling the development of targeted interventions and support services.

Improved Quality of Life: By enhancing women's economic opportunities, SHGs contribute to improving the quality of life for women and their families. This includes

access to education, healthcare, and other essential services.

Increased Social Status: Economic empowerment through SHGs can lead to increased social status and recognition for women within their communities.

In conclusion, this comparative study is crucial for understanding the nuanced role of SHGs in fostering women entrepreneurship development within the context of Jharkhand. The insights generated will be invaluable for policymakers, practitioners, researchers, and, most importantly, the women entrepreneurs themselves.

5. OBJECTIVES OF THE STUDY: -

i. To assess the role of Self-Help Groups (SHGs) in promoting women's entrepreneurship in the Ranchi and East Singhbhum districts.
ii. To compare the effectiveness of SHGs in facilitating financial inclusion, credit access, and skill development among women in both districts.
iii. To evaluate the impact of SHG-led entrepreneurship on women's financial independence, household decision-making power, and socioeconomic mobility.
iv. To identify challenges and barriers that hinder women's ability to fully utilize SHG resources for business development.
v. To analyze the effectiveness of government initiatives (e.g., NRLM, SHG-Bank Linkage, Mudra Yojana) in supporting SHG-driven entrepreneurship.
vi. To provide recommendations for policymakers, financial institutions, and NGOs to strengthen SHGs as a tool for women's entrepreneurship development.

6. HYPOTHESIS FOR TESTING: -

The researcher has taken Two hypothesis for the study: - Hypothesis (1)

H_0: SHG participation does not significantly impact women's entrepreneurship development in Ranchi and East Singhbhum.

H_1: SHG participation significantly impacts women's entrepreneurship development in Ranchi and East Singhbhum.

Hypothesis (2)

H_0: Government policies and financial support do not significantly influence the success of SHG- led women entrepreneurs.

H_1: Government policies and financial support significantly influence the success

of SHG-led women entrepreneurs.

7. RESEARCH METHODOLOGY: -

a). Research Design

This study follows a comparative, descriptive, and analytical research design, using a Mixed- Method Approach (both quantitative and qualitative techniques).

b). Research Approach

Quantitative Approach (Surveys & Statistical Analysis):

- Structured survey questionnaires to collect data from SHG members and women entrepreneurs in Ranchi and East Singhbhum.
- Statistical techniques like Chi-Square Tests.

Qualitative Approach (Interviews):

- In-depth interviews with SHG leaders, government officials, and bank representatives.
- Focus Group Discussions (FGDs) to capture women's experiences and challenges.
- Case studies of successful SHG-driven entrepreneurs in both districts.

c). Data Collection Methods

i. **Primary Data:**

- **Survey-based responses** from **400 women beneficiaries** (200 from Ranchi, 200 from East Singhbhum), **50 Government officials** (25 from each district), and **50 officials of self-help groups.**
- **Interviews & FGDs** with SHG members, financial institutions, and NGOs.

ii. **Secondary Data:**

- Government Reports (NRLM, RBI, NABARD, Ministry of Rural Development).
- Policy Documents on PMJDY, SHG-Bank Linkage, Mudra Yojana.

- Research papers, journals, and case studies on SHGs and Women's Entrepreneurship.

d). Sampling Design

Target Population: Women entrepreneurs and SHG members from Ranchi & East Singbhum.

- Sampling Technique: Stratified Random Sampling to ensure representation of different socio- economic backgrounds.
- Sample Size: 400 respondents (200 from each district), 50 Government officials (25 from each district), and 50 officials of self-help groups.

e). Data Analysis Tools

Descriptive Statistics: Mean, Standard Deviation.

Inferential Statistics:

- **Chi-Square Test:** To determine the association between SHG membership and business outcomes. (A chi-square test is a statistical hypothesis test that compares observed data with expected data.)
- **Regression Analysis:** To measure the impact of SHG participation on entrepreneurship success. (Regression analysis is a set of statistical processes for estimating the relationships between a dependent variable and one or more error-free independent variables).
- **Qualitative Analysis:** Thematic coding for interviews and focus group discussions (using **NVivo or ATLAS.ti**).

8. LIMITATION OF THE STUDY: -

Several limitations can arise when studying the role of Self-Help Groups (SHGs) in women's entrepreneurship development, particularly in a comparative context like Ranchi and East Singhbhum districts. Here are some key points:

i. Geographical and Cultural Variations:

- Differing socio-economic conditions and cultural norms between the two districts can make it difficult to isolate the impact of SHGs.

- Rural versus urban concentrations within each district can also create significant variations in resource access and market opportunities.

ii. Data Collection Challenges:

- Accurate and reliable data on women's entrepreneurial activities within SHGs can be challenging.
- Informal business practices and limited record-keeping can hinder data collection.
- The reliance on questionnaires and interviews can be limited by the participants' honesty and memory.

iii. Defining "Entrepreneurship":

- The definition of "entrepreneurship" can vary, making it difficult to measure and compare across different groups.
- Distinguishing between income-generating activities and true entrepreneurial ventures can be subjective.

iv. Influence of External Factors:

- The impact of government programs, NGO interventions, and market fluctuations can confound the analysis of SHG contributions.
- It can be hard to isolate the SHG's role from these other influencing factors.

v. Limited Scope:

- Due to numerous blocks, we can only focus on some of them.
- A study limited to only two districts may not be generalizable to the broader region or country.
- Time constraints may limit the ability to conduct long-term studies that show the true impact of the SHG's.

9. TENTATIVE CHAPTERISATION: -

The complete study will be presented in a structured format in the proposed chapters as follows:

Chapter 1: Introduction, Literature Review and Profile of the area of study.

Chapter 2: Role of Self-help Groups in Women's Entrepreneurship Development.

Chapter 3: Comparative Analysis of role of SHGs in development of women entrepreneurship in Ranchi and East Shinghbhum District.

Chapter 4: Challenges and Opportunities for SHGs Women Entrepreneurs of Ranchi

and East Shinghbhum District.

Chapter 5: Data Analysis and Hypothesis Testing.

Chapter 6: Conclusion, Findings and Recommendations.

Supervisor	**Research Scholar**
(Dr. Vikas Kumar)	(Jyoti Kumari)
Assistant Professor	UGC NET
University Department of Commerce and	
Business Management Ranchi.	

10. REFERENCES: -

1. https://ruralduniya.com/shg/
2. https://blog.lukmaanias.com/2022/08/10/topic-role-of-self-help-groups-in-women-empowerment
3. https://www.nextias.com/blog/self-help-groups-shgs/
4. Pandhare, A., Bellampalli, P.N. & Yadava, N. Transforming rural women's lives in India: the impact of microfinance and entrepreneurship on empowerment in Self-Help Groups. *J Innov Entrep* **13**,
5. .Gulvira, A., Ainash, M., Sagynysh, M., Meiramgul, A., & Aliya, K. (2024). The Impact of Female Entrepreneurship on Economic Growth in Developing and Developed Economies. *ECONOMICS*.
6. Ghosh, S., Mahapatra, M. S., Tandon, N., & Tandon, D. (2024). Achieving sustainable development goal of women empowerment: A study among Self-Help Groups in India. *FIIB Business Review*, *13*(4), 477-491
7. Narasimha, B. C., Anand, P., Ravish, K. S., Navya, S. S., & Ranganath, T. S. (2016). Role of self-help groups in women empowerment and health. *International Journal of Community Medicine and Public Health*, *3*(8), 2026-2028.
8. Das, S., Mitra, A., & Ali, M. H. (2015). A study on the impact of women self-help groups (SHGs) on rural entrepreneurship development case study in selected areas of West Bengal. *International Journal of Scientific and Research Publications*, *5*(3), 1-7.
9. Kondal, K. (2014). Women's empowerment through self-help groups in Andhra Pradesh, India. *International Research Journal of Social Sciences*, *3*(1), 13-16
10. Mishra, S., & Sahoo, C. (2018). Women's entrepreneurship development through self-help groups: Journey from under participation to saviour. *Indian Journal of Economics and Development*, *6*(7), 1-7.
11. Thangamani, S., & Muthuselvi, S. (2013). A study on women empowerment through self-help groups with special reference to Mettupalayam Taluk in Coimbatore District. *Journal of Business and Management*, *8*(6), 17-24
12. Singh, R., & Raghuvanshi, N. (2012). Women entrepreneurship issues, challenges and empowerment through self-help groups: An overview of Himachal Pradesh. *International Journal of Democratic and Development Studies*, *1*(1), 45-58
13. . Sharma, P., & Varma, S. K. (2008). Women's empowerment through entrepreneurial activities of Self-Help Groups. *Indian Research Journal of extension education*, *8*(1),